

CHAPTER 73

REGULATION OF REAL ESTATE BROKERS AND SALESPERSONS

S.F. 460

AN ACT relating to the licensing and regulation of real estate brokers and salespersons.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 543B.29, subsection 4, Code 2011, is amended to read as follows:

4. A real estate broker's or salesperson's license shall be revoked following three violations of this section or section 543B.34 within a ~~three-year~~ five-year period.

Sec. 2. Section 543B.33, Code 2011, is amended to read as follows:

543B.33 Salespersons — change of employment.

When any real estate salesperson is discharged or terminates employment with the real estate broker by whom the salesperson is employed, the real estate broker shall immediately deliver or mail by ~~certified mail~~ to the real estate commission the real estate salesperson's license on the reverse side of which the employing broker shall set out the date and cause of termination of employment. The real estate broker at the time of mailing the real estate salesperson's license to the commission shall address a communication to the last known residence address of the real estate salesperson stating that the license has been delivered or mailed to the commission. A copy of the communication to the real estate salesperson shall accompany the license when mailed or delivered to the commission. It is unlawful for any real estate salesperson to perform any of the acts contemplated by this chapter either directly or indirectly under authority of a license from and after the date of receipt of the license by the commission. The commission shall, upon presentation of evidence by the salesperson that the salesperson has been employed by another broker, issue another license for the balance of the current license period showing each change of employment. A fee as determined by the commission shall be charged for the issuance of the license. Not more than one license shall be issued to any real estate salesperson for the same period of time.

Sec. 3. Section 543B.34, unnumbered paragraph 3, Code 2011, is amended to read as follows:

If an investigation pursuant to this section reveals that an unlicensed person has assumed to act in the capacity of a real estate broker or real estate salesperson, the commission ~~may~~ shall issue a cease and desist order, and ~~may~~ shall impose a civil penalty of up to the greater of ten thousand dollars or ten percent of the real estate sale price.

Sec. 4. Section 543B.56A, Code 2011, is amended to read as follows:

543B.56A Brokerage agreements — contents.

1. The purpose of this section is to promote the protection of the public by establishing minimum standards reasonably expected by the public in reliance upon the professional work product of real estate licensees. The reliance of the public and business community on sound professional opinions and assistance imposes on real estate licensees certain obligations both to their clients and to the public. The purpose of this section is also to assist in ensuring that licensees' obligations are met including licensees' exercising sound independent business judgment, striving to continuously improve professional business skills and knowledge in the industry, promoting sound and informative real estate reporting, and exercising the highest fiduciary duties to clients and the public.

2. A brokerage agreement shall specify that the broker shall, at a minimum, do all of the following:

1. a. Accept delivery of and present to the client offers and counteroffers to buy, sell, rent, lease, or exchange the client's property or the property the client seeks to purchase or lease.

2. b. Assist the client in developing, communicating, negotiating, and presenting offers or counteroffers until a rental agreement, lease, exchange agreement, offer to buy or sell, or purchase agreement is signed and all contingencies are satisfied or waived and the transaction is completed.

3. c. Answer the client's questions relating to the brokerage agreements, listing agreements, offers, counteroffers, notices, and contingencies.
4. d. Provide prospective buyers access to listed properties.

Approved April 19, 2011